

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

**UNILOC USA, INC. and UNILOC
LUXEMBOURG S.A.,**

Plaintiffs,

v.

**TENCENT AMERICA LLC, and
TENCENT HOLDINGS LIMITED,**

Defendants.

**Civil Action No. 2:16-CV-577-JRG
The Hon. Rodney Gilstrap**

JURY TRIAL DEMANDED

**TENCENT’S AMENDED ANSWER TO PLAINTIFFS’
FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT**

Defendants Tencent America LLC and Tencent Holdings Limited (collectively, “Tencent”) answer Plaintiffs Uniloc USA, Inc. and Uniloc Luxembourg S.A.’s (collectively, “Uniloc”) First Amended Complaint for Patent Infringement (“Complaint”) (D.I. 23) as follows. Tencent’s specific responses to the numbered allegations are set forth below:

GENERAL DENIAL

Any allegations of the Complaint not specifically admitted are denied.

THE PARTIES

1. Tencent lacks knowledge sufficient to form a belief as to the truth of the allegations of paragraph 1 of the Complaint, and therefore denies them.
2. Tencent lacks knowledge sufficient to form a belief as to the truth of the allegations of paragraph 2 of the Complaint, and therefore denies them.
3. Tencent lacks knowledge sufficient to form a belief as to the truth of the allegations of paragraph 3 of the Complaint, and therefore denies them.

4. Tencent admits that Tencent America LLC is a Delaware corporation with its principal place of business at 661 Bryant Street, Palo Alto, CA 94301. Tencent admits that Tencent America LLC may be served with process through its registered agent in Delaware. Tencent denies the remaining allegations of paragraph 4 of the Complaint.

5. Tencent admits that “Tencent Holdings Limited is incorporated in the Cayman Islands with limited liability.” Tencent denies the remaining allegations of paragraph 5 of the Complaint.

JURISDICTION AND VENUE

6. Tencent admits that Uniloc purports to bring this action under the patent laws of the United States, Title 35 of the United States Code, but denies that Uniloc is entitled to any relief. Tencent admits that this court has subject matter jurisdiction over claims arising under the patent laws pursuant to 28 U.S.C. §§ 1331 and 1338(a). Tencent lacks knowledge sufficient to form a belief as to the truth of the remaining allegations of paragraph 6 of the Complaint and therefore denies them.

7. No response is required to the allegations of paragraph 7 asserting that “[v]enue is proper,” as it merely contains legal conclusions. To the extent any response is required, Tencent denies that this judicial district is a convenient forum for this action and denies the remaining allegations contained in paragraph 7 of the Complaint. Tencent specifically denies all allegations of patent infringement.

8. For the limited purpose of this litigation, Tencent consents to this Court’s jurisdiction, but otherwise denies the allegations in paragraph 8 of the Complaint. Tencent expressly reserves, and does not waive, its right to challenge jurisdiction in any future related or unrelated action. Tencent specifically denies all allegations of patent infringement.

PATENTS-IN-SUIT

9. Tencent admits that Uniloc attaches a document that purports to be a copy of U.S. Patent No. 8,571,194 (“the ’194 patent”) to the Complaint as Exhibit A, the face of which shows the title “SYSTEM AND METHOD FOR INITIATING A CONFERENCE CALL” and an issue date of October 29, 2013. Tencent lacks knowledge sufficient to form a belief as to the truth of the remaining allegations of paragraph 9 of the Complaint and therefore denies them.

10. Tencent admits that Uniloc attaches a document that purports to be a copy of U.S. Patent No. 7,853,000 (“the ’000 patent”), to the Complaint as Exhibit B, the face of which shows the title “SYSTEM AND METHOD FOR INITIATING A CONFERENCE CALL” and an issue date of December 14, 2010. Tencent admits that Uniloc refers to the ’194 patent and the ’000 patent collectively as the “Patents-in-Suit.” Tencent lacks knowledge sufficient to form a belief as to the truth of the remaining allegations of paragraph 10 of the Complaint and therefore denies them.

11. Tencent lacks knowledge sufficient to form a belief as to the truth of the allegations of paragraph 11 of the Complaint and therefore denies them.

COUNT I

(ALLEGED INFRINGEMENT OF U.S. PATENT NO. 8,571,194)

12. Tencent restates and incorporates by reference its responses to paragraphs 1 through 11, as though fully set forth herein.

13. Tencent lacks knowledge sufficient to form a belief as to the truth of the allegations of paragraph 13 of the Complaint and therefore denies them.

14. Tencent lacks knowledge sufficient to form a belief as to the truth of the allegations of paragraph 14 of the Complaint and therefore denies them.

15. Tencent admits that <http://www.wechat.com/en> provides links for downloading an application titled “WeChat.” Tencent admits that WeChat is available through Google Play and the Apple App Store. Tencent denies the remaining allegations of paragraph 15 of the Complaint.

16. Tencent admits only that the image appearing below paragraph 16 of the Complaint appears to be an excerpt of a document available on www.wechat.com. Tencent denies the remaining allegations of paragraph 16 of the Complaint.

17. Tencent lacks the knowledge sufficient to form a belief as to the truth of the allegations of paragraph 17 of the Complaint, and therefore denies them.

18. Tencent lacks the knowledge sufficient to form a belief as to the truth of the allegations of paragraph 18 of the Complaint, and therefore denies them.

19. Tencent lacks the knowledge sufficient to form a belief as to the truth of the allegations of paragraph 19 of the Complaint, and therefore denies them.

20. Tencent lacks the knowledge sufficient to form a belief as to the truth of the allegations of paragraph 20 of the Complaint, and therefore denies them.

21. Tencent lacks the knowledge sufficient to form a belief as to the truth of the allegations of paragraph 21 of the Complaint, and therefore denies them.

22. Tencent lacks the knowledge sufficient to form a belief as to the truth of the allegations of paragraph 22 of the Complaint, and therefore denies them.

23. Tencent admits only that the image appearing below paragraph 23 of the Complaint appears to be an excerpt of a document available on help.wechat.com. Tencent denies the remaining allegations of paragraph 23 of the Complaint.

24. Tencent admits only that the image appearing below paragraph 24 of the Complaint appears to be an excerpt of a document available on www.wechat.com. Tencent denies the remaining allegations of paragraph 24 of the Complaint.

25. Tencent admits only that the image appearing below paragraph 25 of the Complaint appears to be an excerpt of a document available on www.wechat.com. Tencent denies the remaining allegations of paragraph 25 of the Complaint.

26. Tencent denies the allegations of paragraph 26 of the Complaint.

27. Tencent denies the allegations of paragraph 27 of the Complaint.

28. Tencent denies the allegations of paragraph 28 of the Complaint.

29. Tencent denies the allegations of paragraph 29 of the Complaint.

30. Tencent denies the allegations of paragraph 30 of the Complaint.

31. Tencent denies the allegations of paragraph 31 of the Complaint.

32. Tencent admits only that “Defendants will have been on notice of the ’194 Patent since, at the latest, the service of this complaint.” Tencent denies the remaining allegations of paragraph 32 of the Complaint.

33. Tencent denies the allegations of paragraph 33 of the Complaint.

34. Tencent denies the allegations of paragraph 34 of the Complaint.

COUNT II
(ALLEGED INFRINGEMENT OF U.S. PATENT NO. 7,853,000)

35. Tencent restates and incorporates by reference its responses to paragraphs 1 through 34, as though fully set forth herein.

36. Tencent lacks knowledge sufficient to form a belief as to the truth of the allegations of paragraph 36 of the Complaint and therefore denies them.

37. Tencent lacks knowledge sufficient to form a belief as to the truth of the allegations of paragraph 37 of the Complaint and therefore denies them.

38. Tencent denies the allegations of paragraph 38 of the Complaint.

39. Tencent denies the allegations of paragraph 39 of the Complaint.

40. Tencent denies the allegations of paragraph 40 of the Complaint.

41. Tencent denies the allegations of paragraph 41 of the Complaint.

42. Tencent denies the allegations of paragraph 42 of the Complaint.

43. Tencent denies the allegations of paragraph 43 of the Complaint.

44. Tencent denies the allegations of paragraph 44 of the Complaint.

45. Tencent admits only that “Defendants will have been on notice of the ’000 Patent since, at the latest, the service of this complaint.” Tencent denies the remaining allegations of paragraph 45 of the Complaint.

46. Tencent denies the allegations of paragraph 46 of the Complaint.

47. Tencent denies the allegations of paragraph 47 of the Complaint.

JURY DEMAND AND PRAYER FOR RELIEF

48. Tencent admits that Uniloc requests a trial by jury on all issues so triable. Tencent denies that Uniloc is entitled to any of the relief sought in its Complaint.

AFFIRMATIVE DEFENSES

Further answering Uniloc’s Complaint and as additional defenses thereto, Tencent asserts the following affirmative defenses, without admitting any allegation of the Complaint not otherwise admitted. Tencent asserts these defenses without assuming any burden other than that imposed by operation of law, and without admitting that Tencent bears the burden of proof on any of them. Tencent specifically reserves the right to allege additional affirmative defenses that become known through the course of discovery or otherwise.

FIRST DEFENSE

(Non-Infringement of U.S. Patent No. 8,571,194)

49. Tencent does not infringe and has not infringed (whether directly, contributorily, or by inducement) any valid and enforceable claim of the '194 patent, either literally or under the doctrine of equivalents.

SECOND DEFENSE

(Non-Infringement of U.S. Patent No. 7,853,000)

50. Tencent does not infringe and has not infringed (whether directly, contributorily, or by inducement) any valid and enforceable claim of the '000 patent, either literally or under the doctrine of equivalents.

THIRD DEFENSE

(Invalidity of U.S. Patent No. 8,571,194)

51. The claims of the '194 patent are invalid and/or unenforceable for failing to comply with one or more of the requirements of Title 35, United States Code, including without limitation §§ 101, 102, 103, 111, 112, 113, and 116 and/or the non-statutory doctrine of double patenting.

FOURTH DEFENSE

(Invalidity of U.S. Patent No. 7,853,000)

52. The claims of the '000 patent are invalid and/or unenforceable for failing to comply with one or more of the requirements of Title 35, United States Code, including without limitation §§ 101, 102, 103, 111, 112, 113, and 116 and/or the non-statutory doctrine of double patenting.

FIFTH DEFENSE

(Prosecution History Estoppel)

53. Uniloc's claims for relief are barred, in whole or in part, by the doctrine of prosecution history estoppel.

SIXTH DEFENSE
(Limitation on Damages)

54. Uniloc's claim for damages, if any, is limited by 35 U.S.C. § 285, 286, and/or 287.

SEVENTH DEFENSE
(Failure to State a Claim)

55. The Complaint fails to state a claim upon which relief can be granted.

EIGHT DEFENSE
(Equitable Defenses)

56. Uniloc's claims for relief are barred in whole or in part by equitable doctrines including but not limited to, laches, prosecution laches, waiver, estoppel, misconduct, patent misuse, unfair competition, acquiescence, and/or unclean hands.

TENTH DEFENSE
(Express or Implied License)

57. Uniloc's claims for patent infringement are precluded in whole or in part (i) to the extent that any allegedly infringing products or components thereof are supplied, directly or indirectly, to Tencent by an entity or entities having express or implied licenses to the '194 and/or '000 patents and/or (ii) under the doctrines of patent exhaustion and first sale.

TENTH DEFENSE
(Limitation on Costs)

58. Uniloc is precluded from recovering costs under 35 U.S.C. § 288.

ELEVENTH DEFENSE
(Issue Preclusion)

59. Uniloc is precluded from re-litigating any issue on which there was a finding adverse to it in any prior litigation.

RESERVATION OF ADDITIONAL DEFENSES

60. Tencent reserves the right to assert additional defenses that may be developed through discovery in this action.

PRAYER FOR RELIEF

WHEREFORE, Tencent prays for judgment:

- a. Dismissing Uniloc's Complaint against Tencent with prejudice;
 - b. In favor of Tencent on Uniloc's Complaint of infringement, that Tencent has not infringed and is not now infringing any valid claim of the Patents-In-Suit;
 - c. That all asserted claims of the Patents-In-Suit are invalid and/or unenforceable;
 - d. That this case is exceptional under 35 U.S.C. § 285 and awarding Tencent its reasonable costs and expenses of litigation, including attorneys' fees and expert witness fees;
 - e. Limiting or barring Uniloc's ability to enforce the '194 and '000 patents in equity;
- and
- f. Awarding such other and further relief as this Court may deem just and proper.

JURY DEMAND

Defendant Tencent respectfully demands a trial by jury on all issues so triable.

Dated: November 9, 2016

Respectfully submitted,

/s/ Eric H. Findlay

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ATTORNEYS FOR DEFENDANT
TENCENT AMERICA LLC AND
TENCENT HOLDINGS LIMITED

CERTIFICATE OF SERVICE

I hereby certify that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) on November 9, 2016.

/s/ Eric H. Findlay
Eric H. Findlay